Special Needs Alliance:

Public Policy News You Can Use

May 5, 2026

Bicameral Coalition Introduces Bill to Protect Retirement Security for Unpaid Caregivers

Senator Chris Murphy (D-CT), Senator Kirsten Gillibrand (D-NY), and Representative Brad Schneider (D-IL-10) reintroduced the Social Security Caregiver Credit Act in the Senate and House of Representatives. The bill provides five years of Social Security retirement credits to caregivers who spent at least 80 hours per month providing care to a dependent relative. The AARP and National Alliance for Caregiving 2025 Joint Report on Transforming Family Caregiving Through Data found that nearly a quarter of the U.S. adult population (63 million American adults) provide care to adults or children with a medical condition or disability. Of these, tens of millions of Americans will significantly reduce their paid work hours or leave the paid workforce entirely to care for a dependent relative at some point in their career. In his announcement, Senator Murphy reinforced the importance of recognizing the essential economic value of care work by allowing caregivers to earn Social Security credits while providing unpaid labor. The Social Security Caregiver Credit Act is endorsed by Social Security Works, the National Association of Nutrition and Aging Services Programs (NANASP), The Arc, Sibling Leadership Network, National Alliance of Caregiving, ALS Association, and the Alliance for Retired Americans. Senator Gillibrand shared her commitment as the Ranking Member on the Senate Aging Committee to get the legislation passed into law.

Department of Labor Updates Online Financial Literacy Toolkit for Individuals with Disabilities

Late last month, the Department of Labor's Office of Disability Employment Policy, Employee Benefits Security Administration, and Employment Training Administration announced significant updates to the resource: Secure Your Financial Future: A Toolkit for Individuals with Disabilities. Assistant Secretary for Disability Employment Policy Julie Hocker said that the toolkit provides resources to "empower disabled workers to make informed financial decisions as they pursue rewarding work opportunities." The new toolkit includes a section focused on service providers, direct support professionals, and family members to ensure the people who support workers with disabilities have easy access to a list of publications, tools, websites, videos, key terms, and frequently asked questions. Additionally, the toolkit includes information about working with legal guardians or representative payees, financial planning tools and worksheets, information on ABLE accounts, quick-reference guides on disability benefits, and resources to support conversations about saving, budgeting, and financial goal setting. Individuals with disabilities of all life and career stages may find the resources beneficial to set and achieve financial goals.

Trump Administration Considers Changing the Definition of a Public Assistance Household

Four federal officials, internal emails, and a federal regulatory listing indicate that the White House is considering changing the definition of a public assistance household under the Social Security Act. The White House Office of Management and Budget (OMB) is reviewing a proposed rule that would remove Supplemental Nutrition Assistance Program (SNAP) from the list of public income maintenance (PIM) payments and revert to an older policy stating that all members of the household must receive PIM payments for the family to be considered a public assistance household. In effect, as many as 400,000 low-income Social Security Insurance (SSI) recipients could see their benefits reduced by up to a third of the current value or lose their benefits altogether. Younger adults and older individuals are most likely to be affected by the policy change because these demographics are more likely to live with a family member.

Last year, White House Budget Director Russell Vought and Social Security Commissioner Frank Bisigano abandoned a different proposed regulation that would have restricted disability payments after news outlets reported on the disproportionate harm the rule would do to blue-collar workers in Republican states. The administration states that the policy change is intended to increase program integrity and align with President Trump's Executive Order Ensuring Lawful Governance and Implementing the President's Department of Governmental Efficiency Deregulatory Initiative. Once approved by the White House OMB, it could take until next year for the rule to undergo public comment and be published in its final form.

Nebraska Becomes First State to Implement Medicaid Work Requirements and Six-Month Redeterminations

Last week, Nebraska became the first state to implement work requirements and six-month coverage redeterminations for Medicaid expansion adults. Under the One Big Beautiful Bill Act (H.R.1) championed by President Trump, all expansion adults must have their coverage re-evaluated and renewed every six months, twice as often as before. Additionally, the law will require most non-elderly and non-disabled low-income adults in 42 states and the District of Columbia to work, volunteer, attend school, or participate in a work program for at least 80 hours a month in order to receive Medicaid benefits.

Starting July 31, Nebraska will begin checking that all 70,000 Medicaid expansion enrollees met work requirements for the month prior to their coverage renewal. Nebraska plans to use various data sources to determine if individuals qualify for an exemption or reported sufficient work hours to qualify which will be supplemented by additional enrollee paperwork. Expansion adults who are in school, work programs, volunteering, medically frail, or meet other exemptions will be required to complete an attestation form and declaration form with the information for the state to confirm their attestation. On May 1, Nebraska sent the first batch of communications to low-income adults explaining these requirements.

Advocates say the state's sudden implementation of the rules will have dire consequences. Many Nebraskans are already confused about the work requirement, their status, or whether they qualify for certain exemptions. Program on Medicaid and the Uninsured Deputy Director Jennifer Tolbert called for the state to improve their communication and outreach strategy, saying the notices sent out today are vague and difficult to understand. Additionally, hospitals and health care providers are concerned that the new policies and procedures will result in many patients losing coverage and experiencing disruptions in care, ultimately placing additional financial pressures on rural hospitals and health care providers. Between 16,000 and 30,000 Nebraskans are expected to lose Medicaid benefits in 2028 due to the new work requirement and redetermination policies.

CMS Defers Additional $91 Million In Minnesota Medicaid Funding

Also last week, the Centers for Medicare and Medicaid Services (CMS) notified Minnesota Governor Tim Walz that they are deferring an additional $91 million of federal Medicaid funding due to a pattern of serious vulnerabilities to fraud. Earlier this year, CMS deferred over $260 million in Medicaid funding to Minnesota after auditing 2025 billing claims. CMS Administrator Mehmet Oz announced that Department of Justice actions involving childcare centers are indicative of a pattern of fraudulent activity in the Minnesota Medicaid program. Of the $91 million deferred most recently, $76 million was due to "service categories that are highly vulnerable to fraud" and the remaining $14 million was due to "program integrity concerns, including payments for ineligible individuals." He added that CMS would continue to partner with Minnesota to address vulnerabilities but would not restore federal payments until the state can demonstrate Medicaid dollars are spent appropriately.

Governor Walz responded that the Trump administration is exploiting the state's fraud crisis to continue a campaign of retribution. Minnesota's health care system is facing mounting financial strain, with 30% of hospitals losing millions of dollars each year and the state's largest hospital on the verge of closing due to challenges with structural payment mechanisms. On Wednesday, the Minnesota Senate passed legislation earmarking hundreds of millions of dollars to financially stabilize hospitals across the state. The Minnesota House must clear the bill before the end of the state's legislative session on May 18th.

Department of Education Issues Final Rule Restricting Federal Student Loans to 11 Professional Degree Programs

The Department of Education issued the Reimagining and Improving Student Education – Federal Student Loan Program Final Regulations. Beginning July 1, 2026, the rule will significantly limit eligibility for the highest federal student borrowing levels to 11 designated degree programs: pharmacy, dentistry, veterinary medicine, chiropractic, law, medicine, optometry, osteopathic medicine, podiatry, theology, and clinical psychology. Students in one of these 11 fields will be eligible to borrow up to $50,000 annually with a $200,000 lifetime limit.

At the same time, all other graduate health professional programs including audiology, health administration, nursing, nutrition and dietetics, occupational therapy, physical therapy, psychology, public health, social work, and others are reclassified from "professional" to "graduate". Young people interested in these career paths are expected to be less likely to apply, enroll, and graduate from these health professions due to limited federal financing and the cost of attendance.

Notable professional organizations including the American Association of Nurse Anesthesiology, American Hospital Association, American Nurses Association, Physician Assistant Education Association and American Academy of Physician Associates, and National Association of Social Workers issued press releases against the Department of Education's final regulation, warning about the negative consequences to reducing federal loans for other professional and graduate programs.

White House Pulls Means' Surgeon General Nomination

President Trump withdrew the surgeon general nomination of Dr. Casey Means and announced Dr. Nicole Saphier as his new pick for the role, marking the third surgeon general nomination of his second term. Means' nomination had stalled as some Republican senators raised questions about her credentials and stance on vaccinations. Chairman of the Senate Health, Education, Labor, and Pensions (HELP) Committee Senator Bill Cassidy (R-LA) indicated that a vote on her nomination had not moved forward because she did not have the votes to pass.

Dr. Saphier is a radiologist and a Director of Breast Imaging at Memorial Sloan Kettering Cancer Center. She is Trump's third nominee for surgeon general in his second term, following Dr. Janette Nesheiwat, whose nomination was pulled before her confirmation hearing last year, and Dr. Means. If confirmed by the Senate, Saphier would serve as the nation's top doctor, with the authority to issue public health advisories. Her confirmation process is expected to draw attention to priorities around chronic disease, cancer prevention, and public health communication.

What's on Tap

Congress is once again in recess this week as members return to their home states and districts to continue preparing for midterm elections in November. Both chambers have just over six working weeks left before the August recess stalls legislative progress even further. Last week, the House passed a bill funding the majority of the Department of Homeland

Security (DHS); although, Republican leadership in the upper and lower chamber continue to disagree as evidenced by the refusal of some GOP House members to pass the funding bill blessed by the Senate and the President without concessions last week. Some in the GOP feel the Speaker has lost control of his conference, which could be particularly damaging ahead of November elections, as the House grapples with a reconciliation bill to fund the remainder of DHS, and a potentially broader, third reconciliation package focused on other Congressional Republican priorities. Tensions amongst Republicans in Congress have been further strained by the gridlock surrounding the SAVE Act, a bill requiring proof of citizenship to register to vote in federal elections, which is a priority of the Trump Administration.

The stakes for the upcoming midterm elections were raised last week when the Supreme Court issued a ruling against a congressional district in Louisiana, arguing it was an unconstitutional gerrymander because it took race into account when drawing the lines. The ruling is aimed at a portion of the Voting Rights Act that was designed to protect voters from intentional discrimination, making it substantially more challenging to prove discrimination on voting rights issues. The Court's decision is already resulting in several, additional states to consider new maps ahead of the midterms. Governors in Louisiana, Tennessee, and Alabama have already indicated they would attempt to redraw maps before November, with the goal of eliminating blue seats in their states to harm Democrats' chances of taking back the House in the 120th Congress. Lawsuits have already been filed in each of the states to delay the drawing of a new map.

In addition to the Trump Administration's heightened focus on program integrity concerns in Medicare and Medicaid, leaders in this administration including Centers for Medicare and Medicaid Services (CMS) Administrator Oz have signaled that they are attempting to codify a most-favored nation (MFN) drug pricing policy via an upcoming reconciliation package. Administrator Oz did not clarify if he was referring to the reconciliation package to fund the remainder of DHS or if it was a separate initiative. It is unclear if the White House's position on MFN policies is shared by the GOP conference; however, House Budget Committee Chairman Jodey Arrington (R-TX) is seemingly supportive.

Upcoming Events

Senate

- Out of Session

House

- Out of Session

Congressional activity is expected to resume once Congress returns to session next week.